

APPENDIX A – Contract Terms & Conditions

Scope of Services

1. The Contractor shall tow, impound, and store all motor vehicles which are ordered removed under the direction of the Police Chief of the City of Shakopee or persons authorized by him/her.
2. When called to the scene of an accident to tow vehicles involved in an accident, the Contractor shall also remove any vehicular parts or other debris resulting from the accident.
3. The contractor shall provide for the towing of any and all damaged or disabled vehicles owned by the City, including but not limited to squad cars, snow plows, fire trucks and inspection vehicles to a location of the City's choice within the City limits.

Response Time

4. The Contractor shall have satisfactory equipment and personnel to provide immediate service on all vehicles ordered towed and/or impounded by authorized city officials at all times, twenty-four (24) hours a day, seven (7) days a week, holidays included.
5. Should the Contractor fail to appear at the designated point to tow within twenty (20) minutes of a call, the City reserves the right to call another tow service to perform the work. If the Contractor is called for a tow and is unable to respond, it must immediately so inform the City Official or department requesting the tow. In any case, only the towing service which performs the work will be paid.

Equipment

6. The contractor shall own, or have available for use within the City, the following:
 - Tow trucks equipped with a crane and winch, and further equipped to control the movement of the towed vehicle;
 - Equipment capable of righting and towing a loaded semi tractor-trailer combination;
 - Equipment sufficient to move a completely demolished vehicle via dollies or low-bed trailer.
7. The Contractor agrees to maintain said equipment in good condition and repair. The City reserves the right to inspect the Contractor's equipment from time to time for the purpose of determining whether the equipment is in good condition and repair and in conformance with the terms and conditions of the Agreement.

Storage

8. The Contractor must operate a storage/parking lot facility within the City limits of Shakopee, Minnesota and all vehicles towed and/or impounded under the terms of this contract shall be taken to said facility. The storage and parking lot facilities of the Contractor shall be completely secured by fencing, as well as meet all applicable state and building code standards and municipal licenses and zoning requirements, including those relating to screening and landscaping.

9. The Contractor shall control and operate facilities capable of storing a minimum of four (4) vehicles inside for one (1) week, and facilities capable of storing a minimum of twenty (20) vehicles outside.
10. The Contractor will provide at least six (6) secured storage spaces for forfeited motor vehicles at no cost to the City.

Employees

11. The Contractor shall assume full responsibility for the conduct of its employees and guarantees that its employees will respond promptly to calls, use safe and adequate equipment, be clean in appearance, use decent language, and treat the public courteously at all times.
12. The Contractor shall follow all applicable state and federal employment laws, including but not limited to those related to workplace safety, nondiscrimination, work hours, and compensation.

Loss and/or Damage

13. The Contractor shall tow vehicles without further damaging said vehicles.
14. The Contractor shall be solely responsible for the loss or damage to any motor vehicle, including its equipment and contents, from the time the vehicle is turned over to the Contractor or its agent by an authorized City Official until such time as the vehicle is released to the registered or actual owner or agent thereof.

Recordkeeping

15. The Contractor shall maintain proper records of all vehicles received, stored and released, including a copy of the police impounding report. These records shall be made immediately available to the Police Chief and other authorized City Officials upon request.

Release of Vehicles

16. All vehicles impounded for the Police Department shall be released by the Contractor only upon the showing of a release form issued by the Police Department.
17. At a minimum, the Contractor's parking facility shall be open and staffed for the purpose of releasing vehicles to authorized claimants between the hours of 8:30 a.m. and 5:30 p.m., Monday through Friday, and 10:00 a.m. to noon on Saturday and Sunday.

Fees & Charges

18. The Contractor shall be entitled to a charge for its towing, storage, and debris removal services according to the fee schedule established under contract with the City. The established fees shall apply only when the car is towed to the Contractor's storage area at the direction of the City of Shakopee.

Towing requested by vehicle owners shall be subject to fees agreed upon between the Contractor and the vehicle owner including charges for towing vehicles outside the City of Shakopee.
19. Services provided under the contract must be charged at the fees specified in the contract. The Contractor shall not establish, charge or collect any additional fees or charges or amounts in excess of the established fees.

20. The contract shall establish the following categories of fees:

Towing Charges

Type I: all tows of a vehicle on or immediately adjacent to a public street or alley, and which can be secured for towing with standard winching.

Type II: all tows of a vehicle not on or immediately adjacent to a public street or alley, or which required an unusual amount of winching to secure it for towing by one tow truck, or requires the use of a dolly to tow the vehicle.

Type III: all tows of a vehicle that requires, and the city has specifically requested, two or more tow trucks.

Large Vehicles: all tows of vehicles with a factory rated capacity of either (8) tons or more.

Incomplete: an operator has been dispatched to and arrives at a scene to tow a vehicle, and the vehicle owner claims the vehicle before the towing operation can be completed.

Administrative Fees

- The contract may establish an administrative fee to be added to instances requiring additional research, mailings, and notifications.
- The contract may establish a fuel surcharge to be added should the price of fuel increase by a designated amount over the market price at the time the contract was negotiated.

Storage Charges

- Storage charges shall be established for each period of twenty-four (24) hours or fraction thereof during which a vehicle towed under the contract is stored at the Contractor's lot.
- The contract may establish separate storage charges for inside and outside storage.
- The contract shall establish a per day storage charge for forfeited vehicles stored in excess of the allotted six (6) free storage spaces referenced in Section 10 of this document, including a not to exceed amount for said storage.

Clean Up Charges

- The contract may establish a fee for the removal of vehicular parts and routine sweeping and clean-up of accident scenes.
- The contract may establish a fee for the removal of debris other than vehicular parts, and more extensive clean-up.

After-Hours Vehicle Release Charge

The contract may establish an additional service fee for release of vehicles outside of the hours established in Section 16.

Vehicle Unlocking Charge

The contract shall establish a fee to be charged for the unlocking of a vehicle directed by an authorized representative of the Shakopee Police Department.

21. There shall be no charges or fees applied to the first five (5) service calls, including towing services, per month in which the vehicle owner is the City of Shakopee.
22. Under no circumstances shall the City be responsible to the Contractor for the payment of any charge for towing, storage, clean-up, and/or unlocking of vehicles, except in cases where the vehicle is owned by the City of Shakopee and represents service in excess of that in Section 21 above. Exceptions to this provision are Type III Towing, and Towing of Large Vehicles.

Liability & Insurance

23. The Contractor shall defend, indemnify, and hold harmless the City, its employees and agents, from any and all claims, causes of action, lawsuits, damages, losses and expenses on account of bodily injury, sickness, disease, death, or property damage as a result, directly or indirectly, of the operations of the Contractor in connection with the work performed under the Agreement. In the event the Contractor shall fail to assume full responsibility for the defense of any claim after proper notice, the City shall have the right to defend such action and to charge all costs thereof to the Contractor.
24. The Contractor shall be required to maintain the following types and amounts of insurance coverage at all times and to furnish to the City a certificate of insurance of its policy or policies.

A. Garage Liability and Automobile Liability as follows:

1. Bodily Injury and Property Damage Liability in the amount of not less than \$1,000,000 per occurrence.
2. Garage Keepers' Legal Liability policy in the amount of not less than \$300,000.

Each of these policies shall carry an endorsement which reads:

It is understood and agreed that the insurance provided under the undermentioned policy and endorsement attached thereto, is hereby extended to apply to the liability imposed by law on the City of Shakopee for bodily injury and for damage to property, which liability is assumed by the Insured under the towing Agreement between the City of Shakopee and the Insured.

B. Worker's Compensation Insurance covering all employees of the Contractor working in the job in accordance with the Minnesota Worker's Compensation Law.

C. Cancellation Notice the policy shall provide for 10 days notice to the City before any changes or cancellation of each policy becomes effective.

Duration

25. The initial contract shall be for a period of five years, beginning January 1, 2023 and concluding December 31, 2027.
26. The contract shall be subject to termination by either party without cause by giving sixty (60) days' written notice to the other.

27. In the event of a breach by Contractor of any terms or conditions of the final contract, the City shall have, in addition to any other legal recourse, the right to terminate the contract forthwith.

Miscellaneous

28. A copy of the completed contract and a schedule of the fees authorized shall be posted in a conspicuous place in the Contractor's garage.

29. The Contractor shall operate its parking facility in compliance with the terms of the completed contract and all applicable laws, ordinances, rules, and regulations which are now in effect, or which may hereafter be adopted.

30. Once entered into, there shall be no alteration of the terms of the contract unless made in writing and signed by both parties.